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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

July 12, 2002

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

RECORDATION NO. 23086-F FILED

JUL 12 '02 2:41 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Partial Release of Security Interest, dated as of July 12, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement which was previously filed with the Board under Recordation Number 23086.

The names and addresses of the parties to the enclosed document are:

Lender:	Sky Bank 101 East Washington Street New Castle PA 16101
Debtor:	Kasgro Leasing, LLC 320 East Cherry Street New Castle PA 16102
Debtor:	Kasgro Rail Corp. 320 East Cherry Street New Castle PA 16102

Mr. Vernon A. Williams  
July 12, 2002  
Page Two

A description of the railroad equipment covered by the enclosed document is:

31 railcars bearing KRL reporting marks and road numbers attached hereto.

A short summary of the document to appear in the index is:

Partial Release of Security Interest.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/anr  
Enclosures

# ANNEX A

Number and Type of Subject Railcar	Car Mark and Number	
Thirteen 70' Flat Deck, 8 Axle, 230 Ton Flat Cars	KRL	70848
		70849
		70850
		70851
		70852
		70866
		70867
		70868
		70870
		70871
		70872
		70873
		70874
Two 32' Depressed Center, 16 Axle, 450 Ton Flat Cars	KRL	163200
		163201
Six 27' Depressed Center, 8 Axle, 150 Ton Flat Cars	KRL	27800
		27801
		27802
		27803
		27804
		27805
Six 50' Flat Deck, 8 Axle, 250 Ton Flat Cars	KRL	50804
		50805
		50806
		50807
		50808
		50809
Four 38' Depressed Center, 8 Axle, 150 Ton Flat Cars	KRL	388000
		388001
		388002
		388005

**PARTIAL RELEASE OF SECURITY AGREEMENT**

Reference is hereby made to that certain Security Agreement (the "Security Agreement") by and among KASGRO RAIL CORP., and SKY BANK (the "Secured Party"), and recorded on the 7th day of July, 2002, at the Surface Transportation Board at Recordation No. 23086. All capital and lowercase letters not defined here shall have the meanings ascribed thereto in the Security Agreement.

STB  
COPY

KNOW ALL PERSONS BY THESE PRESENTS, that in consideration, the receipt and sufficiency of which is hereby acknowledged, Secured Party does hereby fully and finally release and discharge from the security interest and other encumbrances of the Security Agreement those railcars described on Annex A attached hereto and made a part hereof. All other provisions of the Security Agreement including the liens and encumbrances therein granted remain in full force and effect, except as amended hereby.

The Surface Transportation Board is hereby requested to note this Partial Release of Security Agreement (the "Partial Release") upon the margin of the Security Agreement, as recorded.

This Partial Release may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

WITNESS the due execution hereof with the intent to be legally bound hereby this 12 day of July, 2002.

KASGRO RAIL CORP.

By: \_\_\_\_\_

Its: Vice President

KASGRO LEASING LLC

By: \_\_\_\_\_

Its: Vice President

SKY BANK

By: \_\_\_\_\_

Its: \_\_\_\_\_

RECORDATION NO.

23086 - F  
FILED

JUL 12 '02

2-41 PM

SURFACE TRANSPORTATION BOARD

**PARTIAL RELEASE OF SECURITY AGREEMENT**

Reference is hereby made to that certain Security Agreement dated June 22, 2000 (the "Security Agreement") by and among KASGRO RAIL CORP., KASGRO LEASING LLC and SKY BANK (the "Secured Party"), and recorded on the 7th day of September, 2000 with the Surface Transportation Board at Recordation No. 23086. All capitalized terms used herein but not defined here shall have the meanings ascribed thereto in the Security Agreement.

KNOW ALL PERSONS BY THESE PRESENTS, that for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Secured Party does hereby fully and finally release and discharge from the security interest and other encumbrances of the Security Agreement those railcars described on Annex A attached hereto and made a part hereof. All other provisions of the Security Agreement including the liens and encumbrances therein granted remain in full force and effect, except as amended hereby.

The Surface Transportation Board is hereby requested to note this Partial Release of Security Agreement (the "Partial Release") upon the margin of the Security Agreement, as recorded.

This Partial Release may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

WITNESS the due execution hereof with the intent to be legally bound hereby this 12th day of July, 2002.

KASGRO RAIL CORP.

KASGRO LEASING LLC

By: \_\_\_\_\_


By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

SKY BANK

By:

  
Gerald D. Prestopine

Its: Vice President

**ACKNOWLEDGMENT**

STATE OF Wisconsin  
COUNTY OF Milwaukee

BEFORE ME, a Notary Public of the State and County aforesaid, personally appeared John M. Silseth who, upon oath, acknowledged himself to be a vice president of KASGRO RAIL CORP., a Pennsylvania corporation, and that he as such officer being authorized to do so, executed the foregoing Partial Release of Security Agreement for the purposes therein contained by signing the name of the corporation by himself as such officer of Kasgro Rail Corp.

WITNESS my hand and official seal this 12<sup>th</sup> day of July, 2002.

Michèle L. Zepherin  
Notary Public

MY COMMISSION EXPIRES: 1/30/05

STATE OF Wisconsin  
COUNTY OF Milwaukee

BEFORE ME, a Notary Public of the State and County aforesaid, personally appeared John M. Silseth, who upon oath, acknowledged himself to be a vice president of KASGRO LEASING LLC, a limited liability company, and that he as such officer being authorized to do so, executed the foregoing Partial Release of Security Agreement for the purposes therein contained by signing the name of the limited liability company by himself as such officer of Kasgro Leasing LLC.

WITNESS my hand and official seal this 12<sup>th</sup> day of July, 2002.

Michèle L. Zepherin  
Notary Public

MY COMMISSION EXPIRES: 1/30/05

STATE OF PA )  
COUNTY OF LAWRENCE )

BEFORE ME, a Notary Public of the State and County aforesaid, personally appeared Gerald D. Prestopine, who upon oath, acknowledged himself to be a V. P. of SKY BANK, an Ohio corporation, and that ~~s~~/he as such Vice President being authorized to do so, executed the foregoing Partial Release of Security Agreement for the purposes therein contained by signing the name of the bank by ~~her~~ himself as a Vice President of Sky Bank.

WITNESS my hand and official seal this 12th day of July, 2002.

Barbara Jean Sherbak  
Notary Public

MY COMMISSION EXPIRES:

Notarial Seal  
Barbara Jean Sherbak, Notary Public  
City of New Castle, Lawrence County  
My Commission Expires Aug. 18, 2005  
Member, Pennsylvania Association of Notaries

## ANNEX A

Number and Type of Railcar	Car Mark and Number	
Thirteen 70' Flat Deck, 8 Axle, 230 Ton Flat Cars	KRL	70848
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		70851
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